with the mass of materials and the equipment that she required, the way in which our expenditure has mounted up during the course of the year is a very serious blot on the year's balance-sheet. We spent during the year ending March 31st, £2696 millions against £2198 millions in the previous year, an increase of close upon £500 millions ; *£63* millions of this increase were due to interest on war debt, the rest of it was due to increased cost of the war, and few business men will deny that very many of these extra millions might have been saved if our rulers and our bureaucratic tyrants had been imbued with any real sense of the need for conserving the energy of the nation.

Much has been done by the Committee on National Expenditure to bring home to the Government opportunities for economy, and methods by which it can be secured. Can we be equally confident that much has been done by the Government to carry out the advice that has been given by this Committee ? The Treasury is frequently blamed for its inability to check the rapacity and extravagance of the spending Departments. It is very likely that the Treasury might have done more if it had not been led by its own desire for a short-sighted economy into economising on its own staff, the activity and efficiency of which was so absolutely essential to the proper spending of the nation's money. But when this has been

admitted, the fact remains that the Treasury cannot, or can only* with great difficulty, be stronger on the side of economy than the Chancellor of the Exchequer, and that the